

Message Text

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ACTION EB-07

INFO OCT-01 ARA-10 ISO-00 FEA-01 ERDA-05 AID-05 CEA-01

CIAE-00 COME-00 EPG-02 DODE-00 FPC-01 H-01 INR-07

INT-05 L-03 NSAE-00 NSC-05 OMB-01 PM-04 USIA-06

OES-07 SP-02 SS-15 STR-04 TRSE-00 ACDA-07 XMB-02

/102 W

-----034756 220046Z /63

P 220035Z JUN 77

FM AMEMBASSY MEXICO

TO SECSTATE WASHDC PRIORITY 3016

INFO AMCONSUL MONTERREY

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DEPARTMENT PASS EXIM FOR CRAFTON

E.O. 11652: N/A

TAGS: ENRG, EALR, BENC, MX

SUBJECT: STATUS OF PEMEX TENDERS FOR PIPE

REF: MEXICO 9707

1. ECON COUNSELOR AND PETOFF MET WITH US STEEL REPS ON JUNE 20, 1977, TO DISCUSS STATUS OF TENDERS FOR PIPE REPORTED REFTTEL. PEMEX WILL NEED 750,000 TO 820,000 MT (1354 KM) OF PIPE DEPENDING ON WHICH OF TWO WALL THICKNESS DESIGNS IS CHOSEN.

2. US STEEL SAYS NO SINGLE PIPE MANUFACTURER COULD PROVIDE THE QUANTITY OF PIPE NEEDED IN THE TIME FRAME REQUIRED BY PEMEX. DELIVERIES OF TWO DIFFERENT GRADES OF PIPE TOTALING 118 KM ARE SET FOR AUGUST 1977. THE LARGER ORDER, 1236 KM, IS SET FOR SEPTEMBER 1977 THROUGH APRIL 1978. US STEEL WOULD BE ABLE TO SUPPLY 2-300,000 MT STARTING IN NOVEMBER. TUBACERO MAY BE ABLE TO SUPPLY SOME OF THE PIPE; IT CAN PRODUCE 48-INCH, BUT THERE ARE CONFLICTING REPORTS

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AS TO QUANTITIES AND DELIVERY DATES IT COULD PROVIDE.

3. PETOFF ALSO MET WITH ING. CLEMENTE BELTRAN, HEAD OF THE PEMEX DESIGN TEAM, WHO CONFIRMED MUCH OF THE INFORMATION REPORTED IN EARLIER CABLES. INFORMATION IS AVAILABLE ON APPROXIMATELY HALF THE ROUTE THE PIPELINE WILL CROSS. DESIGN OF THE COMPRESSOR STATIONS IS UNDERWAY AND WILL BE

COMPLETED ABOUT JULY 10. EACH STATION WILL HAVE 2-10,000 HORSEPOWER COMPRESSORS IN PARALLEL WITH A THIRD ON STANDBY. TENDERS WILL BE LET FOR THE COMPRESSORS AND DIRECT DRIVE TURBINES IN THE LATTER PART OF JULY. INITIAL CAPACITY WILL BE 800MCFD WHEN THE FIRST THREE COMPRESSOR STATIONS ARE COMPLETED IN 1979 AND WILL RISE TO 2.5-2.6 BCFD WHEN THE REMAINING 13 OR 14 STATIONS ARE COMPLETED IN THE EARLY 1980'S.

4. BELTRAN SAID ABOUT 60 PERCENT OF THE CONSTRUCTION EQUIPMENT IS AVAILABLE HERE IN MEXICO. PRIMARY IMPORTS WILL BE ALIGNMENT AND BENDING EQUIPMENT, LARGE EXCAVATORS, HANDLING EQUIPMENT FOR 48-INCH PIPE, AND WELDING GEAR. IF AUTOMATED WELDERS ARE AVAILABLE, ONLY FOUR MEXICAN CONSTRUCTION COMPANIES WILL BE NEEDED. IF NOT, UP TO TEN CONTRACTORS MAY BE INVOLVED. CONSTRUCTION SHOULD BEGIN BEFORE THE FINAL DESIGN OF THE LINE IS COMPLETED IN 3-4 MONTHS.

5. EMBASSY COMMENT: US STEEL PEOPLE SEEMED CONFIDENT THAT THEY WOULD BE ABLE TO SUBMIT A COMPETITIVE BID THIS FRIDAY. SINCE EXIM HAS APPROVED A LETTER OF INTEREST TO BE SUBMITTED WITH THEIR BID, US STEEL SAYS THAT DETAILS ON FINANCING CAN BE PROVIDED AT A LATER DATE AND WILL BE NO IMPEDIMENT TO THEIR BID. RESULTS OF THE BIDDING WILL BE KNOWN IN EARLY JULY. THOMPSON

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Message Attributes

Automatic Decaptioning: X
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Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
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Executive Order: N/A
Errors: N/A
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TAGS: ENRG, EALR, BENC, EFIN, MX, US, PEMEX, US STEEL
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